

2019 POOL SCHEDULE.

FlexiProtect

FlexiProtect offers pre harvest price protection to growers, to take advantage of volatility in international or domestic grain markets. If an opportunity presents, a Put Option will be purchased over a range of markets such as CBOT, Euronext (Matif), ICE (Winnipeg) and the Australian Stock Exchange (ASX).

FlexiProtect will provide downside price protection without the risk associated with SWAPS (futures trading) or a forward physical tonnage contract, whilst maintaining upside participation should the market rally.

Growers can commit up to 100% of their expected tonnage to FlexiProtect once they have entered into an Area Based Contract. Growers instruct Flexi Grain on the tonnage they seek to contract to FlexiProtect. The Put Option strategy is managed by Flexi Grain until expiry or sale of all Options.

SALES PROGRAM

When Flexi Grain identifies suitable opportunities to offer FlexiProtect, it will advise pool participants of the opportunity and seek commitment from participants.

Commitment is not compulsory and pool participants determine what level of price protection they seek up to a maximum equivalent to 100% of the estimated production from their contracted crop area.

COSTS

The Put Option premium, management fee (\$2.50/MT) and interest cost will be invoiced at the time of option execution in AUD/MT with post-harvest payment terms.

This invoice is payable on the 25th of February, should the proceeds from FlexiProtect not cover the invoice amount. Factors influencing the cost of the option premium include but are not limited to, market volatility, time to expiry and exchange rates.

DISTRIBUTIONS

100% of the equity from FlexiProtect, net of costs, will be distributed to the grower on or before the 25th of February.

COMMUNICATION

Flexi Grain will provide updates keeping their clients informed of:

- Current strategy
- Market Drivers and updates

FlexiTEN

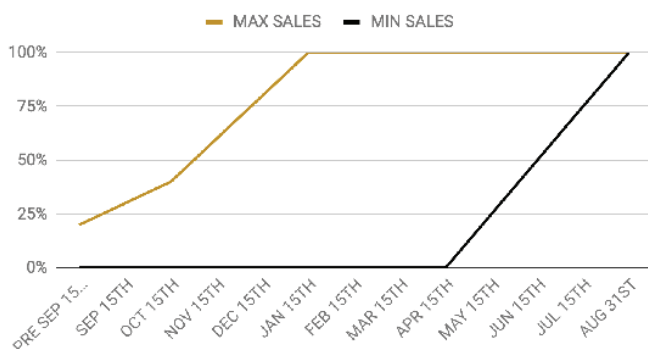
A ten month pool with the aim to outperform the average harvest cash price, whilst providing exposure to post harvest volatility in local and global markets.

Sales methods used can include, but are not limited to, the use of futures, options, over-the-counter (OTC) derivatives to manage commodity and foreign exchange risk. Whilst using forward sales, track sales, delivered sales, stock swaps, commodity swaps and port zone arbitraging to maximise the pool return.

This pool will trade until the end of August, with the final distribution on or before the 25th of September.

SALES PROGRAM

FlexiTEN is a non-restrictive mandated pool, designed to capture premiums when they present themselves. If marketing opportunities arise to protect basis and to reduce pool costs, Flexi Grain may consider protecting price through forward sales. Derivatives such as futures and options can also be used to manage risk. Pre-harvest sales can take place (demonstrated in the below chart) when the pool manager sees it as optimal price risk management.



SECURITY

Counterparties will be ranked in terms of credit risk, with credit insurance taken out on counterparties failing to meet Tier 1 classification.

GROWER PAYMENTS & FINANCE

FlexiTEN offers growers a 60% advance of the Estimated Pool Return on the 10th or 25th of the month, post title transfer. An 80% distribution will take place on or before the 25th of June, with 100% of the remaining equity distributed on or before the 25th of September.

Payments will be accompanied by a Receipt Created Tax Invoice (RCTI) and a payment advice. Finance may be raised against the security of grain to ensure the 60% advance takes place at the pre-determined time. Any cost associated to such finance will be a part of the whole pool costs. Flexi Grain may use funds from grain sales within other pools to finance distributions rather than using inventory finance. These funds will accrue interest that will be paid to the applicable pool.

COSTS

Flexi Grain's management fee is \$7.50/MT (ex GST) and this will be deducted from the first pool distribution / advance. Additional Pool management costs may include, but are not limited to, yield estimates, grain receipt, transport, transfer, storage and insurance, counter party risk insurance, special risk and inventory insurance, outturn, handling, grading, shrink, service fees, brokerage, finance, interest, royalties and statutory levies.

FINAL POOL RETURN

The final pool return will be calculated and communicated on a Port Basis or Free in Store net of all costs. Site & time of entry indexing will be applied if applicable.

COMMUNICATION

Flexi Grain will provide updates keeping their clients informed of:

- Current strategy
- Market Drivers and updates
- Estimated Pool Return
- Equity Statements

FlexiOption

FlexiOption is designed to increase cashflow at harvest, whilst providing post-harvest market exposure via an Option strategy.

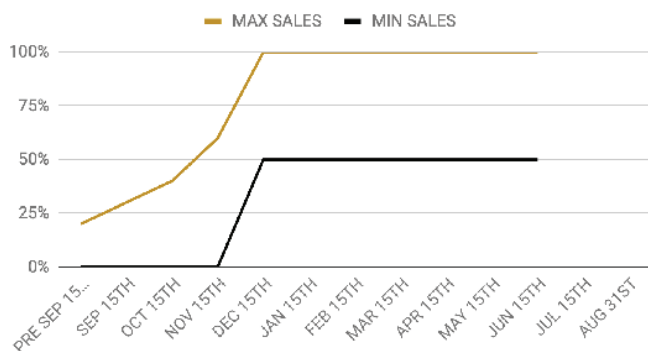
Rather than carrying grain, it will be sold at or near harvest, locking in a floor price and saving storage fees.

From the proceeds of the sale, Flexi Grain will purchase options that will aim to capture any post-harvest volatility, unlike carrying unhedged grain.

This pool will trade until the end of August, with the final distribution on or before the 25th of September.

SALES PROGRAM

A minimum of 50% and a maximum of 100% of the pool can be replaced with options at the time of the grain being sold. Pre harvest sales can take place (demonstrated in the below chart) when the pool manager sees it as optimal price risk management.



SECURITY

Counterparties will be ranked in terms of credit risk, with credit insurance taken out on counterparties failing to meet Tier 1 classification.

GROWER PAYMENTS

FlexiOption offers growers 90% of the Estimated Pool Return on the 10th or 25th of the month, post title transfer. 100% of the remaining equity distributed on or before the 25th of September. Payments will be accompanied by a Receipt Created Tax Invoice (RCTI) and a payment advice.

COSTS

Flexi Grain's management fee is \$7.50/MT (ex GST) and this will be deducted from the first pool distribution / advance. Additional Pool management costs may include, but are not limited to, yield estimates, grain receipt, transport, transfer, storage and insurance, counter party risk insurance, special risk and inventory insurance, outturn, handling, grading, shrink, service fees, brokerage, finance, interest, royalties and statutory levies.

FINAL POOL RETURN

The final pool return will be calculated and communicated on a Port Basis or Free in Store net of all costs. Site & time of entry indexing will be applied if applicable.

COMMUNICATION

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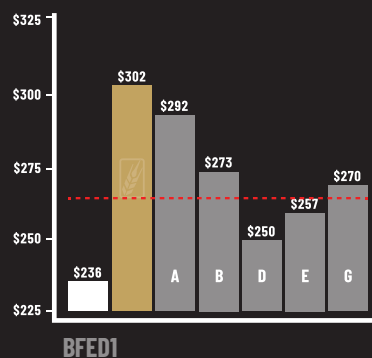
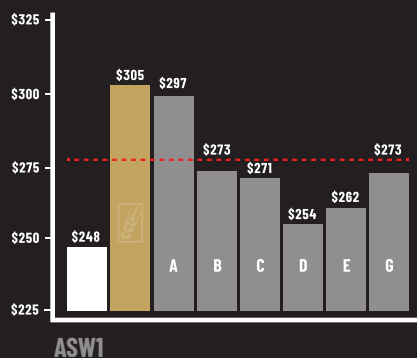
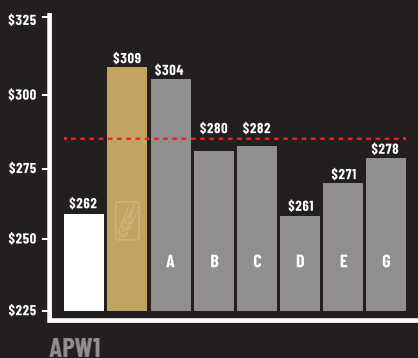
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MANAGED POOL PERFORMANCE

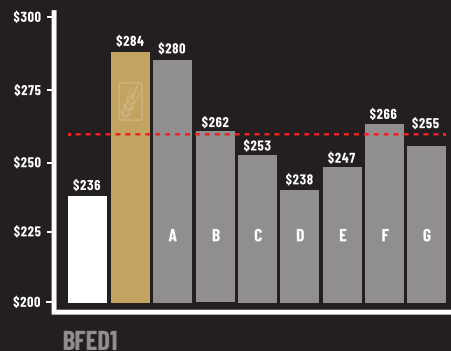
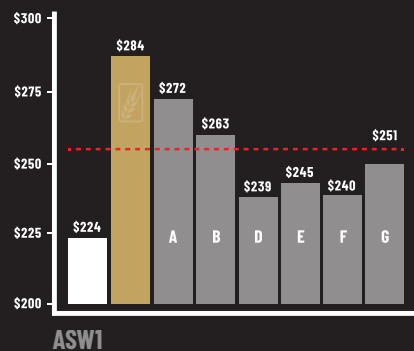
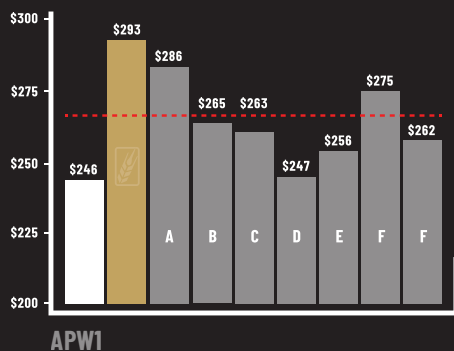
2017/18 MARKETING SEASON

■ FLEXI GRAIN
 ■ AVG HARVEST PRICE
 ■ OTHER POOL MANAGERS
 --- AVG CASH PRICE NOV17-OCT18 (NET OF CARRY)

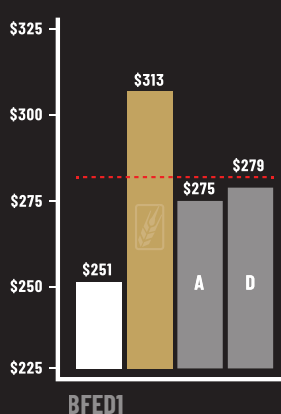
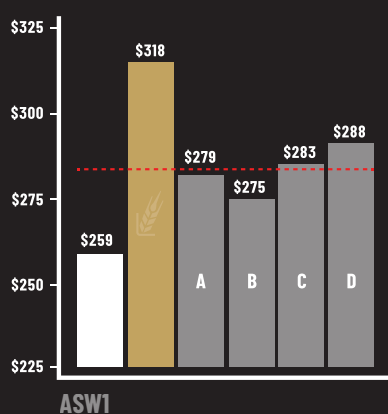
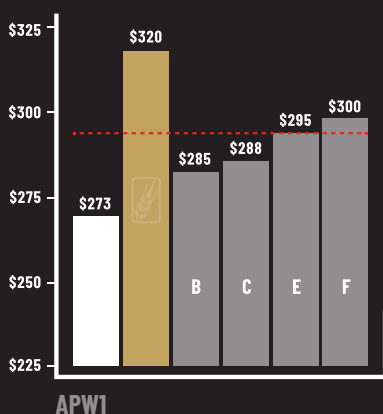
VICTORIA

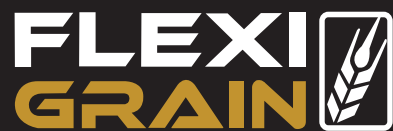


SOUTH AUSTRALIA



WESTERN AUSTRALIA





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